



Center for Insurance Research

Florida Office of Insurance Regulation
4200 E Gaines St,
Tallahassee, FL 32399

CC: The Honorable Governor Ronald Desantis;

The Honorable Senator Joe Gruters, Chair, and the Honorable Senator Barbara Sharief, Vice Chair, Senate Banking and Insurance Committee;

The Honorable Bradford Yeager, Chair, The Honorable Hillary Cassel, Vice Chair, and The Honorable Kevin Chambliss, Democratic Ranking Member, House Insurance and Banking Subcommittee

December 15, 2025

Dear Insurance Commissioner Mike Yaworsky,

On behalf of Public Citizen and the undersigned Florida-based organizations, we urge you to take action to reform Florida's Citizens Property Insurance Company's (Citizens) forced arbitration system that strips away due process and traps policyholders in a legal system that overwhelmingly favors the insurer. Florida's 840,000 policyholders participating in Citizens are subject to a process where the insurer wins more than 90% of cases, policyholders unfairly risk paying the insurer's attorney fees, and settlements often amount to less than \$500.

After facing damage to their homes and denied claims, policyholders in Florida seeking relief are forced into arbitration where the insurer almost always wins. In 2023, Citizens, Florida's insurer of last resort that provides coverage when private insurance companies are unwilling to take on the risk, successfully lobbied the state legislature to pass HB 799. That law requires policyholders who want to dispute how Citizens handled their insurance claim to go before the Florida Division of Administrative Hearings (DOAH) instead of a court. But in DOAH, consumers nearly always lose.

Mandatory arbitration of claims disputes are won by Citizens more than 90% of the time, compared to 55% in circuit court trials initiated before HB 799 passed. Citizens' policyholders cannot opt out of this process, leaving them at a disadvantage and depriving them of due process. Without Citizens' approval, policyholders cannot dismiss their claims and are forced to remain in this unfair arbitration process. If they lose or withdraw, policyholders could face tens of

thousands of dollars in heavy attorneys' fees and are unable to litigate or appeal their claims in a fairer circuit court, making the burden of pursuing claim disputes too high and costly.

Instead of a jury of their peers, policyholders face restrictions on the evidence they can present and outcomes are decided by DOAH judges whose salaries are funded by Citizens. In cases where a settlement is reached, half of settled cases result in awards of less than \$500 for policyholders, a drop in the bucket compared to unpaid damages. Florida Citizens claims that settling quickly benefits the policyholder, but shortening timelines does not equate to justice when families are pressured into inadequate agreements. This system denies Floridians meaningful relief after disasters and undermines public trust in the state's insurance system. We urge the following immediate action from the Insurance Commissioner to protect Florida families from this unfair system:

- **Recommend legislative changes** to remove forced arbitration for Citizens policyholders.
- **Order the Citizens' Inspector General** to conduct an independent investigation of DOAH arbitration fairness and conflicts of interest among judges and release a report publicly.

The below public interest, consumer, and housing organizations call for reforms to restore fairness for Florida Citizens' policyholders. We urge your leadership to ensure that Citizens policyholders are no longer trapped in a system designed for them to lose.

Thank you,

Public Citizen
Consumer Federation of America
Center for Insurance Research
Affordable Homeownership Foundation, Inc.
Catalyst Miami
Manufactured Housing Action, a project of the Tides Center
Miami Homes for All
South Florida Freedom Road Socialist Organization